



Kellogg Company Food Waste Position Statement

As a global food company, we believe we play a significant role in helping to end hunger and create sustainable food systems to feed a growing population. We recognize that our work can support food security and help eradicate hunger by eliminating food waste from our value chain while helping to ensure there is enough nutritious food for all. In 2016, we were one of the first companies to join a group of global leaders from government, business, research and farming communities committed to working together to meaningfully reduce food loss and waste by the end of 2030. This group, Champions 12.3, is named for U.N. SDG target 12.3 that calls for "cutting in half per capita global food waste at the retail and consumer level, and reducing food losses along production and supply chains (including post-harvest losses) by 2030". Our commitment goes further than the Champions 12.3 definition of food waste, as it includes organic materials captured under the 8 destination categories¹, all with the goal to maximize our impact and make sure the food we use gets to people through our sales and donations. As part of our commitment to transparency, Kellogg was an early adopter of the World Resource Institute (WRI) Food Loss and Waste Accounting and Reporting Standard and was one of the first companies to report global food waste data by destination.

We contribute in four important ways:

- **FARMING:** We are working with partners to reduce pre and postharvest loss on farms to ensure that more of the food that is grown is consumed.
- MAKING OUR FOOD: We measure food waste and loss in our facilities and implement solutions to eliminate food
 waste in our processes, capturing it when appropriate to feed people in need.
- REACHING OUT TO CONSUMERS: We are working to standardize our food date labels and educate consumers if
 food is safe to consume, as well as delivering tips and packaging innovation to help them reduce unnecessary food
 waste at home.
- **SHARING WITH COMMUNITIES:** Through our Kellogg's® Better Days commitments we ensure our food goes to help feed people in need either due to natural disasters or chronic hunger in communities we support around the world.

Kellogg continues to have active work underway in each of these four areas. Leading examples include:

FARMING: We are working with partners to develop and promote postharvest loss reduction practices for ingredients that are most materiality to our business. Through our Postharvest Loss Reduction Program, we are working with partners to help farmers reduce food loss by providing training on improved agriculture farming and storage practices in India, Bangladesh, South Africa, Thailand, Philippines, and other countries. Beyond cultivation, we look at how our sourcing can further reduce food losses. For example, in the U.S., we're making a concerted effort to use "perfectly imperfect" apples, strawberries and other fruits in the filling for several foods, including Kellogg's Nutri-Grain® bars and Pop-Tarts®. Although not the first choice for supermarket shoppers, these fruits are every bit as wholesome and delicious. Please see our Corporate Responsibility Report for additional details.

MAKING OUR FOOD: We have a long history of driving progress in our operations to reduce our waste, improve efficiency and drive positive environmental outcomes. During our first-generation sustainability commitments, from 2005 – 2015, Kellogg reduced waste to landfill by 62%. In 2016, we set a 2020 Global Sustainability Commitment to reduce total waste by pound of product in all plants by 15%, with a focus on food waste. We set this target after achieving a 68 percent waste-to-landfill reduction from 2005 to 2016. Since then, we've reduced our total waste by pound of product by 5.7% and our total organic waste by 13.4%. Please see our <u>Food Loss and Waste Reporting Methodology</u> and Corporate Responsibility Report for additional details.

¹ Animal feed, bio-based materials/biochemical processing, co-digestion/anaerobic digestion, composting/aerobic processes, controlled combustion, land application, landfill, and wastewater treatment





Our <u>Kelloga's® Better Days</u> commitment, introduced in 2019, is to reduce by 50% the organic waste, including food waste, across our facilities by the end of 2030. Doing so is one part of our overall commitment to create Better Days for 3 billion people by the end of 2030. We're doing this in our facilities by improving production processes, modifying equipment to reduce food waste and finding new ways to use less-than-perfect food, like partnering with a local brewery in Europe to use imperfect cereal for brewing beer.

REACHING OUT TO CONSUMERS: We are working with the industry to standardize food date labels that clearly communicate if food is safe to consume to reduce unnecessary food waste. In the U.S., we've standardized our labels to "BEST if used by," to help people understand how to best reduce food waste. Globally, we continue to move to resealable packaging that also helps reduce food waste. In Europe, we conducted a study on food waste at breakfast in Italy and Spain to help people understand how to reduce food waste at home. And we are continuing to provide tips and articles for consumers on how to minimize food waste.

SHARING WITH THE COMMUNITIES: Nourishing people with our foods along the three dimensions of societal, emotional and physical wellbeing are one of the tenets of our Kellogg's® Better Days global purpose platform through which we've committed to creating Better Days for 3 billion people by the end of 2030. These efforts take two paths. The first is ensuring that our foods deliver nutrients of need to help address common nutrient shortfalls in Kellogg markets. The second is addressing hidden hunger, or malnutrition due to the lack of essential vitamins and minerals.

We are doing this in multiple ways: donating food to people in need, expanding feeding and nutrition education programs for children, supporting the livelihoods of farming families and communities, enabling our employees to be involved through volunteering events and engaging citizens in the food security conversation. For example, in Mexico, Kellogg partnered with the Mexico Food Bank Network to rescue fruits and vegetables from agricultural lands to provide people with more than 35 million servings of fresh fruits and vegetables that were at risk of being lost but able to be consumed. Around the world, we also donate foods that are acceptable to eat but unsaleable due to underweight quantities and less-than-perfect packaging.

Since 2015, Kellogg has created Better Days for nearly 600 million people worldwide. We've done so by donating 2.4 billion servings of food to people facing hunger, reaching 3.2 million children through feeding programs, supporting more than 433,000 farmers with climate-smart agriculture programs that support biodiversity, and by reducing greenhouse gas emissions. See our progress on all our goals in our Corporate Responsibility website.